

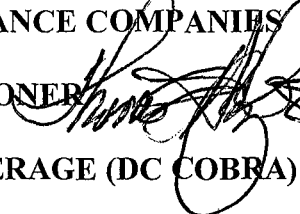
Government of the District of Columbia
Department of Insurance, Securities and Banking



Thomas E. Hampton
Commissioner

BULLETIN
09-IB-01-05/11

TO: ALL LICENSED DOMESTIC INSURANCE COMPANIES

FROM: THOMAS E. HAMPTON, COMMISSIONER 

SUBJECT: CONTINUATION OF HEALTH COVERAGE (DC COBRA)

DATE: MAY 11, 2009

The intent of this Bulletin is to communicate to all District of Columbia licensed insurers providing small group health insurance the Department's interpretation of the Continuation of Health Coverage Emergency Amendment Act of 2009, effective March 16, 2009 (D.C. Act 18-27; 56 DCR 2317), the Continuation of Health Coverage Temporary Amendment Act of 2009, March 27, 2009 (D.C. Act 18-64; ___DCR___) (collectively the "Act"), and the incorporation by reference of certain provisions of the American Recovery and Reinvestment Act of 2009, approved February 19, 2009 (Pub. L. No. 111-5) ("ARRA") made therein. The Act provides the following benefits for District employees covered by group health insurance, except as otherwise excluded pursuant to D.C. Official Code § 32-732 (2001):

- The Act extends the period of time during which District employees are eligible for continuation of health coverage benefits pursuant to D.C. Official Code § 32-732 from three (3) months to nine (9) months. As a result, covered District employees will now be eligible for up to nine (9) months of premium assistance pursuant to ARRA. For a covered individual who is currently receiving continuation of health coverage benefits but submitted their election prior to the enactment of ARRA, the individual will now be eligible to receive an additional nine (9) months of continuation of health coverage pursuant to D.C. Official Code § 32-732 and the corresponding premium assistance pursuant to ARRA;
- The Act extends the period of continuation of health coverage benefits to nine (9) months for individuals who do not receive the premium assistance because their income exceeds the maximum income limits (\$145,000 for single; \$290,000 for joint filers);

- The Act does not provide for an extension of continuation of health coverage benefits for individuals who do not receive the premium assistance because they are eligible for other group coverage or Medicare; and
- The Act provides any eligible employee terminated during the period between September 1, 2008, and the enactment date of ARRA, to qualify for additional continuation of health coverage benefits pursuant to D.C. Official Code § 32-732, and premium assistance regardless of whether they elected coverage at the time of their termination. In this regard, the period between the qualifying event and the first period of coverage beginning on or after the enactment of ARRA shall be disregarded for purposes of determining the 63-day period referred to in section 701(c)(2) of the Employee Retirement Income Security Act of 1974, section 9801(c)(2) of the Internal Revenue Code of 1986, and section 2701(c)(2) of the Public Health Service Act. Stated differently, an employer would be prohibited from applying pre-existing condition coverage limitations based on any gap in coverage that may have existed between the layoff and commencement of the continuation of coverage.

If you have question concerning this bulletin, please contact Phil Barlow at (202) 442-7823 or by email at philip.barlow@dc.gov.